



**OUTLINE OF FINANCIAL RESULTS
FOR THE FIRST QUARTER OF FY2006, ENDED JUNE 30,2005**

28 July, 2005

Registered
Company Name: **MINEBEA CO., LTD.** Common Stock Listings: Tokyo, Osaka, and Nagoya
Code No: 6479 Headquarters: Nagano-ken
(URL <http://www.minebea.co.jp>)
Representative: Takayuki Yamagishi Representative Director, President and Chief Executive Officer
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1. Matters concerning preparation of quarterly performance summary

(1) Concise accounting procedures adopted: None

(2) Changes in accounting method: Yes

Accounting Standard for Impairment of Fixed Assets (“Opinion on setting up an accounting standard for impairment of fixed assets” (Business Accounting Council, August 9, 2002) and “Application Guideline for Accounting Standard on Impairment of Fixed Assets” (Corporate Accounting Standard Application Guideline No. 6 specified by the Corporate Accounting Standard Commission, October 31, 2003) is applied. Loss due to impairment amount is 803 million yen.

(3) Accounting changes of scope of consolidation and application of equity method: None

(a) Changes in consolidated subsidiaries

Anew: None Exclusion: None

(b) Changes of the companies subject to equity method

Anew: None Exclusion: None

2. Business performance (April 1,2005 through June 30,2005)

(1) Consolidated Results of Operations

(Amounts less than one million yen have been omitted.)

	Net sales (millions of yen)	% Change	Operating income (millions of yen)	% Change	Ordinary income (millions of yen)	% Change
FY2006 1st Quarter	75,690	6.1	3,010	7.4	2,163	9.1
FY2005 1st Quarter	71,324	7.3	2,802	(34.2)	1,982	(39.6)
FY2005 Annual	294,422	9.6	14,083	(22.2)	10,206	(26.0)

	Net income (millions of yen)	% Change	Net income per share (yen)	Fully diluted net income per share(yen)
FY2006 1st Quarter	980	370.2	2.46	—
FY2005 1st Quarter	208	(50.5)	0.52	—
FY2005 Annual	5,581	(7.3)	13.93	13.27

(Notes) 1. Income or loss on investments for the first quarter in FY2006 on the equity method totaled 6 million yen and 9 million yen in the first quarter FY2005 and 13 million yen in FY2005.

2. Weighted average number of shares outstanding during the respective years (consolidation):

399,061,265 shares at June 30,2005

399,082,456 shares at June 30,2004

399,074,238 shares at March 31,2005

3. The percentages of net sales, operating income, ordinary income and net income show changes from the same quarter of the previous fiscal year.

(2) Consolidated Financial Position

	Total assets (millions of yen)	Shareholders' equity (millions of yen)	Shareholders' equity ratio (%)	Shareholders' equity per share (yen)
FY2006 1st Quarter	339,151	102,030	30.1	255.68
FY2005 1st Quarter	332,908	95,052	28.6	238.18
FY2005 Annual	332,217	102,088	30.7	255.82

(Notes) Number of shares outstanding at end of term (consolidation) :

399,061,220 shares at June 30,2005

399,082,019 shares at June 30,2004

399,062,072 shares at March 31,2005

(3) Consolidated Cash Flows

	Cash flows from operating activities (millions of yen)	Cash flows from investing activities (millions of yen)	Cash flows from financing activities (millions of yen)	Cash and cash equivalents at end of period (millions of yen)
FY2006 1st Quarter	3,752	(4,232)	1,973	23,406
FY2005 1st Quarter	5,838	(4,210)	(6,073)	22,109
FY2005 Annual	27,586	(23,789)	(8,772)	21,759

3. Prospect for this fiscal year (April 1, 2005 through March 31, 2006)

	Net sales (millions of yen)	Ordinary income (millions of yen)	Net income (millions of yen)	Net income per share (yen)
Interim	142,000	5,500	3,000	7.52
Annual	295,000	14,000	7,500	18.79

(Note) The above-mentioned forecasts are based on the information available as of the date when this information is disclosed, as well as on the assumptions as of the disclosing date of this information related with unpredictable parameters that are probable to affect our future business performances in the end.

In other words, our actual performances are likely to differ greatly from these estimates depending on various factors that will take shape from now on.

(Reference)

1. Operating Performance and Financial Position

(1) Operating Performance

1. Overview of the first quarter (April 1,2005 through June 30,2005)

During the first quarter of the current fiscal year, the Japanese economy recovered mildly, led by pickup in personal consumption, and increased capital investment, although it saw a slowdown of exports for capital goods due to the rise in oil and material prices, the tight-money measures adopted by China and other factors. The U.S. economy continued to grow, powered by high growth in mainly information-related capital investment, improvement of employment, and solid personal consumption, despite having risks such as housing price increases, current-account deficit, and rise in gasoline prices and others. In Europe, due to the high euro, tough employment and other factors, the situation in each country was mixed, but the total economy maintained a moderate growth. In China, exports were firm and the economy continued to maintain high growth despite a drop in import growth due to tight constraints on overheated investment. The economies in Southeast Asian countries stayed firm due to continued growth in the U.S. economy and high growth in China.

In this business climate, we strove to make our profitable basis stronger by continuing with our structural reform; further reduce costs; develop high value-added products and new technologies; and expand marketing efforts.

As a result, net sales increased 4,365 million yen (6.1%) year on year, to 75,690 million yen, operating income increased 208 million yen (7.4%) year on year, to 3,010 million yen. Ordinary income increased 180 million yen (9.1%), to 2,163 million yen, and net income also increased 771 million yen (370.2%) year on year, to 980 million yen.

As a result of implementing impairment accounting for fixed assets from the current fiscal year, we have posted an extraordinary loss of 803 million yen.

(a) Performance by business segment is as follows:

Machined components business

Our products in this business segment include ball bearings, which are our mainstay product; mechanical components such as rod-end bearings primarily for use in aircraft and pivot assemblies for use in hard disk drives (HDDs); screws for automobiles and aircraft; and defense-related devices and equipment. Sales of ball bearings to makers of household electrical appliances, automobiles and information & telecommunications equipment stayed strong year on year owing to our vigorous sales expansion efforts. Also, sales of rod end bearings rose, mainly in the U.S. for the aerospace industry. In pivot assemblies, sales grew largely by strong demand of the HDD industry. As a result, net sales rose 2,317 million yen (8.2%) year on year to 30,573 million yen. Operating income was almost the same year on year to 5,067 million yen, due to cost reduction measures attained by increased production and productivity and other factors, despite effects from partial decrease in sales prices and rise in material prices.

Electronic devices and components business

Our core products in this business segment include information motors such as HDD spindle motors, fan motors; stepping motors, vibration motors and DC brush motors; PC keyboards; speakers; LCD back lights; and measuring instruments. Sales of PC keyboards, LCD back lights and fan motors grew substantially for PC and peripheral equipment makers. As a result, net sales increased 2,049 million yen (4.8%) year on year, to 45,116 million yen. Operating income improved 223 million yen year on year, to (2,056) million yen. This was owing to the rise in income resulting from sales growth of LCD back lights and cost reduction of HDD spindle motors, despite increased costs accompanying the production shift of PC keyboards; restructuring expenses incurred in our information motors business segment; and rise in material prices.

(b) Performance by geographical segment is as follows:

Japan

Net sales increased 612 million yen (3.3%) year on year, to 19,353 million yen. However, due to restructuring in our information motors business, operating income fell 1,167 million yen to (265) million yen.

Asia excluding Japan

This region includes Greater China region which continues high growth pulled by vigorous investment, and is an important manufacturing base for manufacturers of Japan, Europe, America and other countries. Sales mainly in the Greater China region were firm owing mainly to recovery of demand from the information & telecommunications equipment industry and steady demand from the household electrical appliance industry. Profits are gradually seeing positive effects of PC keyboard production transfer in progress; cost reduction measures for HDD spindle motors; and structural reforms in our information motors business segment. As a result, net sales and operating income increased 2,741 million yen (8.2%) and 1,418 million yen (152.5%) year on year respectively, to 36,328 million yen and 2,348 million yen.

North America

Despite progress in production shift by our information & telecommunications equipment-related customers to Asia, sales of PC keyboards and other electronic devices and components were firm in this region. In addition, in ball bearings manufactured in the U.S. and rod-end bearings for sales to aviation-related and other industries, both demand and sales were brisk. As a result, net sales rose 1,471 million yen (12.1%) year on year, to 13,641 million yen, whereas operating income fell, partly due to changes in internal price setting, 344 million yen (-38.7%) to 546 million yen.

Europe

Sales of ball bearings, rod-end bearings and other products were firm as moderate economic growth was seen in this region. But due to low sales of electronic devices, net sales fell 460 million yen (-6.7%) year on year, to 6,366 million yen, while operating income rose 302 million yen (387.2%), to 380 million yen.

2. Outlook for the current fiscal year

The world economy may be threatened by another rise in oil prices, China's foreign currency policy after the revaluation of the Chinese Yuan and its tight monetary policy, and other economic factors. However, due mainly to continuation of high economic growth in China, and personal consumption supported by income increases from more jobs and self-sustaining growth expected in the U.S., we expect that the world economy will continue to stay on a well-balance growth path.

An organizational change effective July 1, 2005 has been carried out. We will integrate our two separated Manufacturing and Sales Headquarters into Business Units, and at the same time, establish headquarters that will indirectly support the Business Units. With the new Business Units and Headquarters, we will resolutely carry out decisive structural reforms, reinforce R&D and promote management with a clear vision in order to improve profitability.

(a) Outlook by business segment for the current fiscal year is as follows:

Machined components business

We will continue to aggressively expand sales of mainstay ball bearings in firm demand to makers of household electrical appliances, information & telecommunications equipment, and automobiles. Through this sales expansion, we are aiming to improve business performance. In addition, in rod-end bearings, we can expect benefits from the strong aircraft market, particularly in Europe and the U.S. In pivot assemblies, we expect that sales will be steady.

Electronic devices and components business

We expect that the structural reform measures for information motors, although gradually, will begin to yield results. We also will begin to supply cost-competitive, mass productive new products to the markets in the second half of the year. In the area of PC keyboards, we will complete production shift except for several items from Thailand to Shanghai by the end of September 2005 and promote the arrangement of a cost competitive, mass production system. In the other electronic devices and components business of LCD back lights and measuring instruments, we expect that sales will be strong.

(b) Outlook by geographical segment for the current fiscal year is as follows:

Japan

We expect that both sales and profits will continue to be in a harsh operating environment, as many of our customers are shifting production from their plants in Japan to those in other Asian countries, including China.

Asia excluding Japan

This region offers the largest market for our products. Taking full advantage of having our key manufacturing bases right in this largest market area, we strongly aim to improve performance.

North America

In U.S. manufactured rod-end bearings and other principal products, we continue to receive strong orders from aerospace and other industries. Combined with import products such as PC keyboards, ball bearings, motors and other products that we are manufacturing in Asia, we expect that these strong orders will continue to post firm sales.

Europe

The European economy continues to grow moderately. Sales and profits are expected to move as we witnessed for the current fiscal quarter.

(2) Financial Position in the First Quarter of the Current Fiscal Year (April 1,2005 through June 30,2005)

The Minebea Group has pursued its principal management policy of enhancing its financial soundness and continued

to take decisive steps to squeeze total assets, restrain capital investment, and reduce interest-bearing debt. The balance of cash and cash equivalents in the current fiscal year totaled 23,406 million yen, up 1,296 million yen (5.9%) year on year.

Cash flows from various business activities during the current quarter and relevant factors are as follows:

Operating activities: Due mainly to 830 million yen of income before income taxes, 5,766 million yen of depreciation charges, the rise in accounts receivable and inventories, and the payment of income taxes, net cash flow from operating activities dropped 2,085 million yen (-35.7%) compared with the end of the same quarter of previous fiscal year, to 3,752 million yen.

Investing activities: Despite the year-on-year decrease of expenditure for purchase of property, plant and equipment to 4,317 million yen, net cash outflow from investing activities rose 21 million yen (0.5%) year on year, to 4,232 million yen.

Financing activities: Due to the rise in short-term debt 4,174 million yen, dividend payment 2,793 million yen, and others, net cash flow from financing activities rose 8,046 million yen year on year, to 1,973 million yen.

2. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheets

	As of June 30,2005		As of June 30,2004		Increase or (decrease) (2005- 2004)		As of March 31,2005	
	Millions of	%	Millions of	%	Millions of	%	Millions of	%
	yen	Comp.	yen	Comp.	yen	%	yen	Comp.
ASSETS								
Current assets.....	156,708	46.2	151,302	45.5	5,406	3.6	147,295	44.3
Cash and cash equivalents.....	23,406		22,109		1,296		21,759	
Notes and accounts receivable.....	66,308		61,013		5,295		62,610	
Inventories.....	48,004		47,313		691		46,963	
Deferred tax assets.....	5,450		6,855		(1,404)		5,123	
Others.....	13,836		14,331		(494)		11,125	
Allowance for doubtful receivables.....	(298)		(321)		23		(287)	
Fixed assets.....	182,343	53.8	181,500	54.5	843	0.5	184,808	55.7
Tangible fixed assets.....	153,744		155,233		(1,489)		156,521	
Building and structure.....	97,200		94,452		2,748		97,222	
Machinery and transportation equipment.....	201,846		192,725		9,121		202,364	
Tools, furniture and fixtures.....	50,786		51,797		(1,011)		50,737	
Land.....	14,335		16,262		(1,926)		15,086	
Construction in progress.....	1,516		1,623		(107)		1,228	
Accumulated depreciation.....	(211,942)		(201,628)		(10,314)		(210,118)	
Intangible fixed assets.....	13,869		12,141		1,728		14,113	
Consolidation adjustments.....	10,224		11,218		(994)		10,353	
Others.....	3,645		922		2,722		3,760	
Investment and other assets.....	14,729		14,125		604		14,174	
Investment in securities.....	6,294		7,313		(1,019)		6,308	
Long-term loans receivable.....	37		94		(57)		35	
Deferred tax assets.....	6,559		4,959		1,599		6,016	
Others.....	1,894		1,900		(5)		1,870	
Allowance for doubtful receivables.....	(55)		(143)		87		(56)	
Deferred charges.....	99	0.0	105	0.0	(6)	(6.0)	112	0.0
Total assets.....	339,151	100.0	332,908	100.0	6,243	1.9	332,217	100.0

(Note) Treasury stock..... June 2005 106,475 shares June 2004 85,676 shares March 2005 105,623 shares

	As of June 30,2005		As of June 30,2004		Increase or (decrease) (2005- 2004)		As of March 31,2005	
	Millions of yen	% Comp.	Millions of yen	% Comp.	Millions of yen	%	Millions of yen	% Comp.
LIABILITIES								
Current liabilities.....	148,337	43.7	179,578	53.9	(31,240)	(17.4)	141,449	42.6
Notes and accounts payable.....	28,695		27,587		1,108		25,901	
Short-term loans payable.....	85,813		75,448		10,364		81,256	
Commercial paper.....	—		4,000		(4,000)		—	
Current portion of long-term loans payable.....	1,878		6,428		(4,549)		1,855	
Current portion of bonds.....	—		10,000		(10,000)		—	
Current portion of convertible bonds.....	—		27,080		(27,080)		—	
Current portion of bonds with warrant.....	4,000		—		4,000		4,000	
Accrued income taxes.....	2,144		3,263		(1,119)		2,344	
Accrued bonuses.....	2,806		2,909		(102)		3,247	
Reserve for environmental preservation expense.....	807		975		(168)		794	
Others.....	22,190		21,884		306		22,050	
Long-term liabilities.....	86,642	25.6	52,935	15.9	33,707	63.7	86,144	25.9
Bonds.....	38,000		28,000		10,000		38,000	
Bonds with warrant.....	—		4,000		(4,000)		—	
Long-term loans payable.....	47,987		19,861		28,125		47,340	
Allowance for retirement benefits.....	142		758		(615)		305	
Allowance for retirement benefits to executive officers.....	57		28		29		49	
Others.....	455		287		168		448	
Total liabilities.....	234,980	69.3	232,513	69.8	2,466	1.1	227,594	68.5
MINORITY INTEREST IN CONSOLIDATED SUBSIDIARIES								
	2,140	0.6	5,342	1.6	(3,201)	(59.9)	2,534	0.8
SHAREHOLDERS' EQUITY								
Common stock.....	68,258	20.1	68,258	20.5	—	—	68,258	20.5
Additional paid-in capital.....	94,756	27.9	94,756	28.5	(0)	(0.0)	94,756	28.5
Retained earnings.....	6,499	1.9	2,964	0.9	3,535	119.3	5,519	1.7
Difference on revaluation of other marketable securities.....	1,562	0.5	1,758	0.5	(196)	(11.2)	1,575	0.5
Foreign currency translation adjustments.....	(68,991)	(20.3)	(72,639)	(21.8)	3,647	(5.0)	(67,965)	(20.5)
Treasury stock.....	(56)	(0.0)	(47)	(0.0)	(9)	19.2	(56)	(0.0)
Total shareholders' equity.....	102,030	30.1	95,052	28.6	6,978	7.3	102,088	30.7
TOTAL LIABILITIES, MINORITY INTEREST IN CONSOLIDATED SUBSIDIARIES AND SHAREHOLDERS' EQUITY.....								
	339,151	100.0	332,908	100.0	6,243	1.9	332,217	100.0

(2) Consolidated Statements of Income

	1st Quarter ended June 30, 2005		1st Quarter ended June 30, 2004		Increase or (decrease) (2005- 2004)		Year ended March 31, 2005	
	Millions of Yen	% Comp.	Millions of yen	% Comp.	Millions of yen	%	Millions of yen	% Comp.
Net sales.....	75,690	100.0	71,324	100.0	4,365	6.1	294,422	100.0
Cost of sales	60,458	79.9	56,663	79.4	3,795	6.7	232,019	78.8
Gross profit.....	15,231	20.1	14,661	20.6	570	3.9	62,403	21.2
Selling, general and administrative expenses.....	12,221	16.1	11,858	16.7	362	3.1	48,319	16.4
Operating income	3,010	4.0	2,802	3.9	208	7.4	14,083	4.8
Other income.....	494	0.7	484	0.7	10	2.1	1,551	0.5
Interest income	43		30		12		145	
Dividends income.....	50		35		15		37	
Equity income of affiliates.....	6		9		(3)		13	
Others	393		408		(15)		1,354	
Other Expenses.....	1,341	1.8	1,303	1.8	37	2.9	5,427	1.8
Interest expenses	1,019		747		271		3,361	
Foreign currency exchange loss.....	12		204		(191)		755	
Others	308		351		(42)		1,311	
Ordinary income.....	2,163	2.9	1,982	2.8	180	9.1	10,206	3.5
Extraordinary income.....	10	0.0	228	0.3	(218)	(95.6)	404	0.1
Gain on sales of fixed assets.....	9		199		(190)		301	
Gain on sales of investment securities.....	0		—		0		—	
Reversal of allowance for doubtful receivables	—		28		(28)		102	
Extraordinary loss	1,343	1.8	273	0.4	1,069	390.6	2,832	1.0
Loss on sales of fixed assets	5		5		(0)		565	
Loss on disposal of fixed assets	75		115		(39)		453	
Impairment loss	803		—		803		—	
Loss on sales of investments securities.....	0		—		0		0	
Loss on revaluation of investments securities.....	—		—		—		619	
Loss on liquidation of affiliates	—		—		—		270	
Loss for after-care of products.....	—		—		—		270	
Retirement benefits expense	—		152		(152)		609	
Retirement benefits to directors and corporate auditors.....	458		—		458		42	
Income before income taxes and minority interests	830	1.1	1,937	2.7	(1,106)	(57.1)	7,778	2.6
Income taxes								
Current (including enterprise tax).....	1,222		1,571		(349)		5,943	
Adjustment of income taxes	(937)		500		(1,437)		(430)	
Total income taxes	285	0.4	2,071	2.9	(1,786)	(86.2)	5,513	1.8
Minority interests in earnings of consolidated subsidiaries.....	(435)	(0.6)	(342)	(0.5)	(92)	26.9	(3,316)	(1.1)
Net income.....	980	1.3	208	0.3	771	370.2	5,581	1.9

(3) Consolidated Statements of Retained Surplus

	1st Quarter ended June 30, 2005	1st Quarter ended June 30, 2004	Increase or (decrease) (2005– 2004)	Year ended March 31, 2005
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
CAPITAL RETAINED EARNINGS				
Additional paid-in capital at beginning of period.....	94,756	94,756	—	94,756
Gain on disposal of treasury stock	—	0	(0)	—
Additional paid-in capital at end of period.....	94,756	94,756	(0)	94,756
RETAINED EARNINGS				
Retained earnings at beginning of period.....	5,519	2,755	2,763	2,755
Increase of retained earnings.....	980	208	771	5,581
Net income.....	980	208	771	5,581
Decrease of retained earnings.....	0	—	0	2,817
Cash dividends.....	—	—	—	2,793
Bonus to directors.....	—	—	—	23
Loss on disposal of treasury stock	0	—	0	0
Retained earnings at end of period	6,499	2,964	3,535	5,519

(4) Consolidated Statements of Cash Flows

(Amount: millions of yen)

	1st Quarter ended June 30,2005	1st Quarter ended June 30,2004	Increase or (decrease) 2005-2004	Year ended March 31,2005
1.Cash Flows from Operating Activities:				
Income before income taxes and minority interests.....	830	1,937	(1,106)	7,778
Depreciation and amortization.....	5,766	5,572	193	22,462
Impairment loss.....	803	—	803	—
Amortization of consolidation adjustments.....	265	270	(5)	1,083
Equity income of affiliates.....	(6)	(9)	3	(13)
Interest and dividend income.....	(94)	(66)	(28)	(182)
Interest expense.....	1,019	747	271	3,361
(Gain) loss on sales of fixed assets.....	(4)	(193)	189	264
Loss on disposal of fixed assets.....	75	115	(39)	453
Decrease in reserve for losses on after-care of products.....	—	(33)	33	(210)
(Gain) loss on sales of investments securities.....	(0)	—	(0)	0
Loss on revaluation of investments securities.....	—	—	—	619
(Increase) decrease in notes and accounts receivable.....	(2,999)	212	(3,211)	(1,020)
Increase in inventories.....	(763)	(2,543)	1,780	(1,597)
Increase in notes and accounts payable.....	2,834	3,441	(606)	1,283
Increase (decrease) of allowance for doubtful receivables.....	7	(95)	103	(221)
Increase (decrease) in accrued bonuses.....	(434)	(309)	(124)	41
Increase (decrease) of reserve for environmental preservation expenses..	12	(13)	26	(194)
Increase (decrease) in retirement allowance.....	(187)	130	(317)	(331)
Increase of allowance for retirement benefits to executive officers.....	7	5	1	27
Payment of bonus to directors and corporate auditors.....	(23)	—	(23)	—
Others.....	(1,435)	(2,215)	779	1,537
Sub-total	5,674	6,952	(1,277)	35,142
Interest and dividends received.....	57	29	27	183
Interest paid.....	(866)	(535)	(330)	(3,388)
Income tax paid.....	(1,113)	(608)	(504)	(4,351)
Net cash provided by operating activities	3,752	5,838	(2,085)	27,586
2.Cash Flows from Investing Activities:				
Purchase of tangible fixed assets.....	(4,317)	(4,988)	671	(23,060)
Proceeds from sales of tangible fixed assets.....	175	873	(698)	2,173
Purchase of intangible fixed assets.....	(69)	—	(69)	(3,059)
Purchase of investment in securities.....	(0)	(37)	37	(37)
Proceeds from sales of investment in securities.....	0	—	0	3
Increase in cash and cash equivalents due to inclusion in consolidation.....	—	—	—	71
Long term loans receivables.....	(4)	(63)	58	(67)
Recovery of long term loans receivables.....	2	20	(17)	164
Others.....	(18)	(15)	(3)	22
Net cash used in investing activities	(4,232)	(4,210)	(21)	(23,789)
3.Cash Flows from Financing Activities:				
Increase (decrease) in short-term loans payable.....	4,174	(3,286)	7,460	2,306
Decrease in the amount in commercial paper.....	—	—	—	(4,000)
Proceeds from long term loans.....	592	—	592	29,324
Repayment of long term loans.....	—	—	—	(6,459)
Proceeds from issuance of bonds.....	—	—	—	10,000
Payment for redemption of bonds.....	—	—	—	(10,000)
Payment for redemption of convertible bonds.....	—	—	—	(27,080)
Purchase of treasury stock.....	(0)	(0)	0	(9)
Cash dividends paid.....	(2,793)	(2,793)	0	(2,793)
Cash dividends paid to minority shareholders.....	—	—	—	(16)
Others.....	—	6	(6)	(43)
Net cash used in financing activities	1,973	(6,073)	8,046	(8,772)
4.Effect of Exchange Rate Changes on Cash and Cash Equivalents	153	179	(26)	358
5.Net Increase (decrease) in Cash and Cash Equivalents	1,646	(4,266)	5,912	(4,616)
6.Cash and Cash Equivalents at Beginning of Period	21,759	24,780	(3,020)	24,780
7.Increase in Cash and Cash Equivalents due to Establishment of a Joint Venture	—	1,596	(1,596)	1,596
8.Cash and Cash Equivalents at End of Period	23,406	22,109	1,296	21,759

3. Segment Information

(1) Business segments

(Amount: millions of yen)

	FY2006 1st Quarter (April 1, 2005 through June 30, 2005)				
	Machined components business	Electronic devices and components business	Sub-total	Elimination	Total
1. Total sales and operating income					
Total sales					
(1) Sales to customers	30,573	45,116	75,690	—	75,690
(2) Sales to other segment	685	400	1,085	(1,085)	—
Total	31,258	45,517	76,775	(1,085)	75,690
Operating expense	26,191	47,573	73,765	(1,085)	72,679
Operating income (loss)	5,067	(2,056)	3,010	—	3,010
2. Assets, depreciation and capital expenditure					
Assets	191,534	215,721	407,255	(68,104)	339,151
Depreciation	2,677	3,088	5,766	—	5,766
Capital expenditure	1,822	2,564	4,387	—	4,387

(Notes) 1. The segments are defined by internal administration.

2. Main products

(a) Machined components business.....Ball bearings, Pivot assemblies, Tape guides, Fasteners, Mechanical assemblies for aerospace use, Defense-related special parts, etc.

(b) Electronic devices and components business.....Small motors, PC keyboards, Speakers, Back lights, Hybrid ICs, Inverter, Strain gauges, Load cells, etc.

(Amount: millions of yen)

	FY2005 1st Quarter (April 1, 2004 through June 30, 2004)				
	Machined components business	Electronic devices and components business	Sub-total	Elimination	Total
1. Total sales and operating income					
Total sales					
(1) Sales to customers	28,256	43,067	71,324	—	71,324
(2) Sales to other segment	566	(0)	566	(566)	—
Total	28,823	43,067	71,890	(566)	71,324
Operating expense	23,740	45,347	69,088	(566)	68,522
Operating income (loss)	5,082	(2,279)	2,802	—	2,802
2. Assets, depreciation and capital expenditure					
Assets	189,668	220,520	410,188	(77,279)	332,908
Depreciation	2,605	2,966	5,572	—	5,572
Capital expenditure	1,629	10,713	12,343	—	12,343

(Notes) 1. The segments are defined by internal administration.

2. Main products

(a) Machined components business.....Ball bearings, Pivot assemblies, Tape guides, Fasteners, Mechanical assemblies for aerospace use, Defense-related special parts, etc.

(b) Electronic devices and components business.....Small motors, PC keyboards, Speakers, Back lights, Hybrid ICs, Strain gauges, Load cells, etc.

(Amount: millions of yen)

	FY2005 (Annual) (April 1, 2004 through March 31, 2005)				
	Machined components business	Electronic devices and components business	Sub-total	Elimination	Total
1. Total sales and operating income					
Total sales					
(1) Sales to customers	116,105	178,317	294,422	—	294,422
(2) Sales to other segment	2,194	389	2,584	(2,584)	—
Total	118,299	178,707	297,006	(2,584)	294,422
Operating expense	96,727	186,196	282,923	(2,584)	280,339
Operating income (loss)	21,572	(7,489)	14,083	—	14,083
2. Assets, depreciation and capital expenditure					
Assets	194,180	214,142	408,322	(76,105)	332,217
Depreciation	10,401	12,061	22,462	—	22,462
Capital expenditure	11,400	22,756	34,157	—	34,157

(Notes) 1. The segments are defined by internal administration.

2. Main products

(a) Machined components business.....Ball bearings, Pivot assemblies, Tape guides, Fasteners, Mechanical assemblies for aerospace use, Defense-related special parts, etc.

(b) Electronic devices and components business.....Small motors, PC keyboards, Speakers, Back lights, Hybrid ICs, Inverter, Strain gauges, Load cells, etc.

(2) Geographical segments

(Amount: millions of yen)

	FY2006 1st Quarter (April 1, 2005 through June 30, 2005)						
	Japan	Asia (excluding Japan)	North America	Europe	Sub-total	Elimination	Total
1. Total sales and operating income							
Total sales							
(1) Sales to customers	19,353	36,328	13,641	6,366	75,690	—	75,690
(2) Sales to other segment	38,994	38,431	376	917	78,720	(78,720)	—
Total	58,348	74,760	14,018	7,283	154,410	(78,720)	75,690
Operating expense	58,613	72,411	13,471	6,903	151,400	(78,720)	72,679
Operating income (loss)	(265)	2,348	546	380	3,010	—	3,010
2. Assets	169,025	228,716	34,601	17,806	450,149	(110,997)	339,151

(Notes) Dividing method and main countries in each territory

(a) Dividing method.....By geographical distance

(b) Main countries in each territory

Asia (excluding Japan).....Thailand, Singapore, China, Taiwan, Korea, etc.

North America.....United States

Europe.....United Kingdom, Germany, France, Italy

(Amount: millions of yen)

	FY2005 1st Quarter (April 1, 2004 through June 30, 2004)						
	Japan	Asia (excluding Japan)	North and South America	Europe	Sub-total	Elimination	Total
1. Total sales and operating income							
Total sales							
(1) Sales to customers	18,741	33,587	12,170	6,826	71,324	—	71,324
(2) Sales to other segment	39,823	38,048	333	213	78,419	(78,419)	—
Total	58,564	71,636	12,503	7,039	149,743	(78,419)	71,324
Operating expense	57,662	70,705	11,612	6,960	146,941	(78,419)	68,522
Operating income	902	930	890	78	2,802	—	2,802
2. Assets	171,870	227,273	33,511	20,148	452,805	(119,896)	332,908

(Notes) Dividing method and main countries in each territory

(a) Dividing method.....By geographical distance

(b) Main countries in each territory

Asia (excluding Japan).....Thailand, Singapore, China, Taiwan, Korea, etc.

North and South America.....United States, Mexico

Europe.....United Kingdom, Germany, France, Italy

(Amount: millions of yen)

	FY2005 (Annual) (April 1,2004 through March 31, 2005)						
	Japan	Asia (excluding Japan)	North America	Europe	Sub-total	Elimination	Total
1. Total sales and operating income							
Total sales							
(1) Sales to customers	76,660	137,424	52,389	27,947	294,422	—	294,422
(2) Sales to other segment	162,763	155,447	1,422	1,025	320,659	(320,659)	—
Total	239,424	292,871	53,812	28,973	615,081	(320,659)	294,422
Operating expense	236,671	287,001	49,302	28,022	600,998	(320,659)	280,339
Operating income	2,752	5,870	4,510	950	14,083	—	14,083
2. Assets	169,239	223,995	32,442	20,300	445,977	(113,760)	332,217

(Notes) Dividing method and main countries in each territory

(a) Dividing method.....By geographical distance

(b) Main countries in each territory

Asia (excluding Japan).....Thailand, Singapore, China, Taiwan, Korea, etc.

North America.....United States

Europe.....United Kingdom, Germany, France, Italy

(3) Overseas sales

(Amount: millions of yen)

	FY2006 1st Quarter (April 1, 2005 through June 30, 2005)			
	Asia (excluding Japan)	North and South America	Europe	Total
1. Overseas sales	37,432	11,193	7,321	55,947
2. Total sales				75,690
3. Overseas sales on total sales	49.4%	14.8%	9.7%	73.9%

(Notes) 1. The overseas sales are made outside of Japan by parent company and consolidated subsidiaries.

2. Dividing method and main countries in each territory

(a) Dividing method.....By geographical distance

(b) Main countries in each territory

Asia (excluding Japan).....Thailand, Singapore, China, Taiwan, Korea, etc.

North and South America.....United States, Canada, Mexico, etc.

Europe.....United Kingdom, Germany, France, Italy, Netherlands, etc.

(Amount: millions of yen)

	FY2005 1st Quarter (April 1, 2004 through June 30, 2004)			
	Asia (excluding Japan)	North and South America	Europe	Total
1. Overseas sales	33,759	10,974	7,212	51,946
2. Total sales				71,324
3. Overseas sales on total sales	47.3%	15.4%	10.1%	72.8%

(Notes) 1. The overseas sales are made outside of Japan by parent company and consolidated subsidiaries.

2. Dividing method and main countries in each territory

(a) Dividing method.....By geographical distance

(b) Main countries in each territory

Asia (excluding Japan).....Thailand, Singapore, China, Taiwan, Korea, etc.

North and South America.....United States, Canada, Mexico, etc.

Europe.....United Kingdom, Germany, France, Italy, Netherlands, etc.

(Amount: millions of yen)

	FY2005 (Annual) (April 1, 2004 through March 31, 2005)			
	Asia (excluding Japan)	North and South America	Europe	Total
1. Overseas sales	140,229	46,012	29,505	215,747
2. Total sales				294,422
3. Overseas sales on total sales	47.6%	15.6%	10.0%	73.3%

(Notes) 1. The overseas sales are made outside of Japan by parent company and consolidated subsidiaries.

2. Dividing method and main countries in each territory

(a) Dividing method.....By geographical distance

(b) Main countries in each territory

Asia (excluding Japan).....Thailand, Singapore, China, Taiwan, Korea, etc.

North and South America.....United States, Canada, Mexico, etc.

Europe.....United Kingdom, Germany, France, Italy, Netherlands, etc.

4. Marketable Securities

(1) Other marketable securities

(Amount: millions of yen)

Classification	FY2006 (1st Quarter)			FY2005 (1st Quarter)			FY2005 (Annual)		
	Book value	Market price	Gain or (Loss)	Book value	Market Price	Gain or (Loss)	Book Value	Market price	Gain or (Loss)
Other Marketable Securities with Market Value									
Stock	3,105	5,666	2,561	3,108	5,991	2,883	3,105	5,687	2,582
Total	3,105	5,666	2,561	3,108	5,991	2,883	3,105	5,687	2,582

(2) Main securities without market value

(Amount: millions of yen)

Classification	FY2006 (1st Quarter)	FY2005 (1st Quarter)	FY2005 (Annual)
Other marketable securities	474	1,094	475
Total	474	1,094	475

(Note) Non-listed stock (except for stock at over the counter)

5. Amounts of Production, Orders Received, Sales

(1) Production

(Amount: millions of yen)

Business segments	FY2006 (1st Quarter)	FY2005 (1st Quarter)	FY2005 (Annual)
Machined components business	32,013	27,999	118,382
Electronic devices and components business	41,911	43,683	173,910
Total	73,924	71,682	292,292

(Note) Amounts are provided on the basis of their sales prices, after offsetting and eliminating transactions between the two business segments and do not include consumption taxes.

(2) Orders received

(Amount: millions of yen)

Business segments	FY2006 (1st Quarter)		FY2005 (1st Quarter)		FY2005 (Annual)	
	Orders received	Order Backlog	Orders received	Order backlog	Orders received	Order backlog
Machined components business	31,906	39,890	30,478	36,896	119,988	38,557
Electronic devices and components business	49,431	26,861	49,374	28,757	178,413	22,546
Total	81,338	66,751	79,852	65,653	298,401	61,103

(Note) Amounts are provided on the basis of their sales prices, after offsetting and eliminating transactions between the two business segments and do not include consumption taxes.

(3) Sales

(Amount: millions of yen)

Business segments	FY2006 (1st Quarter)	FY2005 (1st Quarter)	FY2005 (Annual)
Machined components business	30,573	28,256	116,105
Electronic devices and components business	45,116	43,067	178,317
Total	75,690	71,324	294,422

(Note) Amounts are provided after offsetting and eliminating transactions between the two business segments and do not include consumption taxes.